

**IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF OKLAHOMA**

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
vs.)	Case No. CIV-18-228-HE
)	
APPROXIMATELY \$1,085,385.00 IN UNITED)	
STATES CURRENCY, SEIZED FROM)	
ACCOUNT NUMBER XXXXX1122 LOCATED)	
AT JP MORGAN CHASE BANK,)	
)	
Defendant.)	

VERIFIED COMPLAINT FOR FORFEITURE *IN REM*

The United States of America brings this complaint and alleges as follows in accordance with Rule G(2) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions:

Nature of the Action

1. This is an *in rem* forfeiture action to forfeit and condemn to the use and benefit of the United States of America the above-captioned defendant for violations of 18 U.S.C. § 1343.

Jurisdiction and Venue

2. The United States brings this action *in rem* in its own right to forfeit and condemn the defendant currency, pursuant to 18 U.S.C. § 981(a)(1)(C). This Court has jurisdiction over an action commenced by the United States under 28 U.S.C. § 1345, and the Court has jurisdiction over an action for forfeiture under 28 U.S.C. § 1355(a).

3. This Court has *in rem* jurisdiction over the defendant property under 28 U.S.C. § 1355(b). Upon the filing of this complaint, the United States requests that the Court issue an arrest warrant *in rem* pursuant to Supplemental Rule G(3)(b), which the United States will execute upon the property pursuant to 28 U.S.C. § 1355 and Supplemental Rule G(3)(c).

4. Venue is proper in this district pursuant to 28 U.S.C. § 1355(b)(1), because the acts or omissions giving rise to the forfeiture occurred in this district. Venue is also proper here pursuant to 28 U.S.C. § 1395, because the property is located in this district.

The Defendant *In Rem*

5. The defendant property consists of \$1,085,385.00 held in account XXXXX1122 at J.P. Morgan Chase Bank, Oklahoma City, Oklahoma. The defendant property was seized by the Federal Bureau of Investigation pursuant to a seizure warrant issued on January 16, 2018, and is currently in the possession of the Federal Bureau of Investigation or the United States Marshals Service.

Basis for Forfeiture

6. The defendant property is subject to forfeiture to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) because it constitutes property, real or personal, which constitutes or is derived from proceeds traceable to unlawful activity, and/or is property, real or personal, which represents or is traceable to the gross receipts obtained, directly or indirectly, from a violation of 18 U.S.C. § 1343 (relating to wire fraud).

Facts

7. The facts and circumstances supporting the seizure and forfeiture of the defendant property are contained in the supporting affidavit attached hereto and fully incorporated herein.

8. This complaint does not contain all of the information known in regards to the investigation; however, it contains enough information to establish probable cause to support a complaint for forfeiture against the defendant property.

Claim for Relief

9. As a result of the foregoing, the defendant property is liable to condemnation and forfeiture to the United States for its use, in accordance with 18 U.S.C. § 981(a)(1)(C).

WHEREFORE, the plaintiff requests that the Court issue an arrest warrant *in rem* for the arrest and seizure of the defendant property; that notice of this action be given to all persons who reasonably appear to be potential claimants of interest of the defendant property; that the defendant property be forfeited and condemned to the United States; that the United States be awarded its costs and disbursements in this action; and for such other and further relief as this Court deems proper and just.

Respectfully submitted,

ROBERT J. TROESTER,
Acting United States Attorney

s/ Wilson D. McGarry_____.

WILSON D. McGARRY

Assistant U.S. Attorney

Bar No. 31146

210 Park Avenue, Suite 400

Oklahoma City, OK 73102

Phone: (405) 553-8700

Email: wilson.mcgarry@usdoj.gov

VERIFICATION

I, Scott M. Cahoon, hereby verify and declare that I am a Special Agent with the Federal Bureau of Investigation, that I have read the foregoing Verified Complaint of Forfeiture *In Rem* and know the contents thereof, and that the matters contained in the Verified Complaint are true of my own knowledge, except those matters therein stated to be alleged on information and belief and as to those matters, I believe them to be true. The sources of my knowledge and information and the grounds of my belief are the official files and records of the United States, information supplied to me by other law enforcement officers, as well as my investigation of this case, together with others.

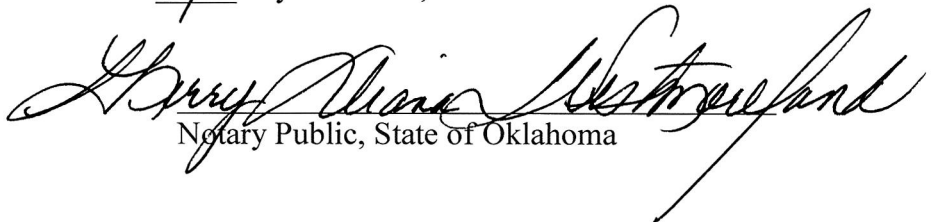
I hereby verify and declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Executed on March 14, 2018.



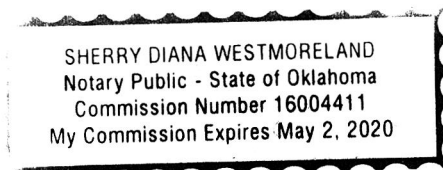
Scott M. Cahoon, Special Agent
U.S. Federal Bureau of Investigation

Subscribed and sworn to before me this 14 day of March, 2018.



Notary Public, State of Oklahoma

(seal)



AFFIDAVIT IN SUPPORT

I, Scott M. Cahoon, a Special Agent (SA) with the Federal Bureau of Investigation (FBI), Oklahoma City, Oklahoma, being duly sworn, depose and state as follows:

INTRODUCTION

1. I have been employed as a Special Agent of the FBI for approximately three years, and have been assigned to the computer intrusion squad of the Oklahoma City Division since February 2017. During employment with the FBI, I have been assigned to investigate violations of federal law that involve but are not limited to computer intrusion and internet fraud matters. I have gained experience in computer intrusion and internet fraud investigations through training in seminars, classes, and everyday work. I have received training and gained experience in interviewing and interrogation techniques, arrest procedures, search warrant applications, the execution of searches and seizures, in addition to various other criminal laws and procedures. I have personally participated in the execution of search warrants involving various types of evidence and property.

2. As a federal agent, I am authorized to investigate violations of the laws of the United States and to seek forfeiture of property under the authority of the United States.

3. This affidavit does not contain all of the information known to me in regards to the investigation; however, it contains enough information to establish probable cause to forfeit the property described below to the United States.

STATUTES

4. Title 18, United States Code, Section 1343 provides that whoever, having devised any scheme or artifice to obtain money or property by means of false or fraudulent pretenses, representations, or promises, and for the purpose of executing that scheme, knowingly transmits or causes to be sent transmitted by interstate or international wire, radio, or television any writings, signs, signals, pictures, or sounds for the purpose of executing the scheme or artifice, shall be fined or imprisoned not more than 20 years or both.

5. Title 18, United States Code, Section 981(a)(1)(C) provides that any property, real or personal, which constitutes or is derived from proceeds traceable to a violation of, among others, Section 1343, is subject to forfeiture to the United States.

PROPERTY AND AUTHORITY FOR FORFEITURE

6. That this affidavit is made in support of an application for a civil forfeiture complaint to forfeit the proceeds contained in J.P. Morgan Chase account number XXXXX1122. This affidavit is made in support of forfeiture under 18 U.S.C. § 981(a)(1)(C) for violations of 18 U.S.C. § 1343 as a result of a scheme to defraud **Insured Aircraft Title Service, LLC (IATS)**, a company located in Oklahoma City, Oklahoma, through an email fraud scam.

BASIS FOR FORFEITURE

7. The contents of J.P. Morgan Chase account number XXXXX1122 is subject to forfeiture to the United States because it contains proceeds of, or derived from proceeds traceable to, a violation of 18 U.S.C. § 1343, Fraud by Wire, when, based on false representation of an unknown subject (**UNSUB**) in control of the account, received a transfer of \$1,085,385.00 from **IATS's** FDIC-insured Bank of America debit account number XXXXXXX85210 on December 27, 2017, in the Western District of Oklahoma. On December 27, 2017, J.P. Morgan Chase placed

a fraud hold on bank account number XXXXX1122, containing the deposit of \$1,085,385.00. As a result, any funds remaining in **UNSUB**'s J.P. Morgan Chase account up to \$1,085,385.00 are therefore subject to civil forfeiture pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461.

BACKGROUND OF THE INVESTIGATION AND FACTS GIVING RISE TO PROBABLE CAUSE

8. Insured Aircraft Title Services, LLC ("**IATS**") is an Oklahoma City-based aircraft title and escrow company. In December 2017, **IATS** began assisting a client with purchasing certain products from Bell Helicopter ("**BH**"). Hillsboro Aviation ("**HA**", a Portland, Oregon-based company, served as the broker for the transaction.

9. During the negotiations for this transaction, **IATS** employee M. Newberry was communicating telephonically with K. Nguyen, the regional contracts manager for **BH**.

10. In December 2017, a person or persons unknown to law enforcement at this time and described in this affidavit as "**UNSUB**," learned that **IATS** was negotiating the purchase of certain products from **BH**. **UNSUB** devised a scheme to defraud **IATS** by posing as K. Nguyen and instructing **IATS** employees to wire funds to a bank account controlled by **UNSUB**.

11. On December 21, 2017, **Megan Newberry (NEWBERRY)**, an employee at **IATS**, received an email in Oklahoma City, Oklahoma, on her company email account, mnewberry@insuredaircraft.com, from **UNSUB**, purporting to be **Kim Nguyen (NGUYEN)**, the Regional Contracts Manager for **BH**, using email account pnguyen02bh@yahoo.com. The December 21st email received by **NEWBERRY** was in regard to a contract between **IATS** and **BH** for the purchase of products. **NEWBERRY** and **NGUYEN** had already been in communication regarding purchase contract when **NEWBERRY** received the email from **UNSUB**.

In the email, **UNSUB** stated “All, Update: The attached invoice for closing has been updated. I have already called Ryan Swakon at Hillsboro as regards the update.” **UNSUB** attached an invoice, which provided an itemized statement of products to be sold and purchasing prices, which totaled to \$1,085,385.00. In addition, the invoice directed **IATS** to wire transfer payment directly to:

J.P. Morgan Chase
SWIFT No. CHASUS33
ABA NO. 06-54-011-37
28 Liberty Street
New York, NY 10005
For the Account of Bell Helicopter Slip Stream
TEXTRON, Inc
Account No. 208-3-21122

12. On December 27, 2017, **NEWBERRY**, using email account mnewberry@insuredaircraft.com, received another email from pnguyen02bh@yahoo.com stating, “I would like to know if the wire transfer payment has been made.”

13. On December 27, 2017, **NEWBERRY** sent a reply email to pnguyen02bh@yahoo.com stating, “No we have not closed yet.”

14. On December 27, 2017, **NEWBERRY** received another email from pnguyen02bh@yahoo.com asking, “The closing was suppose to be today right?”

15. On December 27, 2017, **NEWBERRY** sent a reply email to pnguyen02bh@yahoo.com stating, “We are releasing funds now – I will send out wire confirmation to the group as requested.”

16. On December 27, 2017, **IATS**, under false pretenses and the misrepresentations of the **UNSUB**, wire transferred \$1,085,385.00 from Bank of America debit account number XXXXXXXXX5210, branch located in the Western

District of Oklahoma, to J.P. Morgan Chase bank account number XXXXX1122, branch located in New York, New York.

17. On December 27, 2017, **NEWBERRY** received another email from pnguyen02bh@yahoo.com stating, “I will get back to you at noon tomorrow as regards coordinating with US Aircraft Title for the release of the Bill of sale to IATS for filing with the FAA.”

18. **Chris Fiegel (FIEGEL)**, Secretary/Treasurer for **IATS**, stated that on December 27, 2017, through telephone conversations with **NGUYEN**, it was discovered that **BH** had not provided the updated invoice instructions and had not provided the updated wire transfer instructions as set forth in the December 21st email sent from pnguyen02bh@yahoo.com. In addition, **FIEGEL** advised that he had been informed that **HA**, the broker for **IATS**, had suffered a computer intrusion.

19. On December 27, 2017, J.P. Morgan law enforcement assistance confirmed that a wire was made from Bank of America debit account number XXXXXXXX5210 to J.P. Morgan Chase bank account number XXXXX1122, in the amount of \$1,085,385.00.

20. On December 28, 2017, **NEWBERRY** received another email from pnguyen02bh@yahoo.com stating, “ALL We are in receipt of the wire transfers so you can go ahead and coordinate with US Aircraft Title for the release of the Bill of sale to IATS for filing with the FAA.”

21. On January 3, 2018, Ryan McCartney, General Manager for **HA**, confirmed that **HA** had suffered a computer intrusion on December 23, 2017, resulting in their email being compromised and used to communicate with clients. While this intrusion could be the impetus of the fraud in this case, at this point in the investigation law enforcement has not confirmed whether the computer intrusion at **HA** directly resulted in the fraudulent activity committed by the **UNSUB** to defraud **IATS**.

intrusion at **HA** directly resulted in the fraudulent activity committed by the **UNSUB** to defraud **IATS**.

CONCLUSION

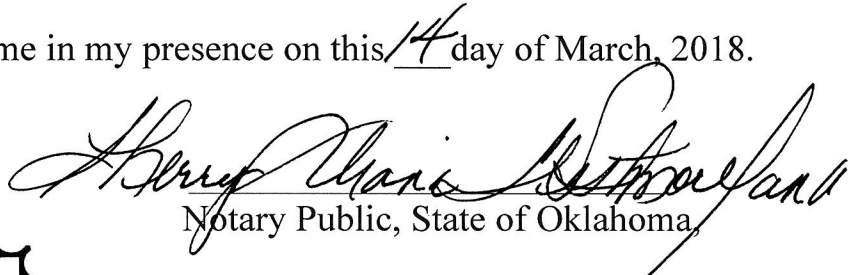
20. Based on the above-mentioned facts, I submit there is probable cause **UNSUB** violated 18 U.S.C. § 1343 when **UNSUB** falsely represented to be **NGUYEN** convincing **IATS** to wire funds from its FDIC-insured bank in the Western District of Oklahoma to J.P. Morgan Chase bank account number XXXXX1122, branch located in New York, New York, on December 27, 2017. Consequently, the defendant property is subject to forfeiture pursuant to 18 U.S.C. § 981(a)(1)(C).

FURTHER, YOUR AFFIANT SAYETH NOT.



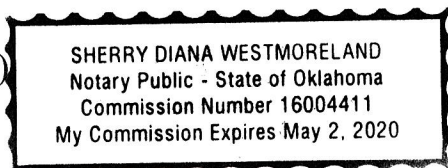
SCOTT M. CAHOON
Special Agent
Federal Bureau of Investigation

Subscribed and sworn to before me in my presence on this 14 day of March, 2018.



Notary Public, State of Oklahoma

(seal)



CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

UNITED STATES

(b) County of Residence of First Listed Plaintiff _____
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)
Wilson D. McGarry, Assistant U.S. Attorney, U.S. Attorney's Office, 210
Park, Suite 400, Oklahoma City, OK 73102, (405) 553-8700

DEFENDANTS

\$1,085,385.00 IN U.S. CURRENCY, SEIZED FROM ACCOUNT
XXXXX1122, HELD AT JP MORGAN CHASE BANK

County of Residence of First Listed Defendant _____
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF
THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☒ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question
(U.S. Government Not a Party)
- ☐ 4 Diversity
(Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | PTF | DEF | | PTF | DEF |
|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)Click here for: [Nature of Suit Code Descriptions.](#)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input checked="" type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

V. ORIGIN (Place an "X" in One Box Only)

- ☐ 1 Original Proceeding ☐ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from Another District (specify) ☐ 6 Multidistrict Litigation - Transfer ☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

Title 18 U.S.C., Section 1343

Brief description of cause:

Wire Fraud

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$

CHECK YES only if demanded in complaint:

JURY DEMAND: ☐ Yes ☒ No**VIII. RELATED CASE(S) IF ANY**

(See instructions):

JUDGE _____

DOCKET NUMBER _____

DATE

03/15/2018

SIGNATURE OF ATTORNEY OF RECORD

s/ Wilson D. McGarry

FOR OFFICE USE ONLY

RECEIPT # _____

AMOUNT _____

APPLYING IFP _____

JUDGE _____

MAG. JUDGE _____